

Borrowing Options: PLUS or Private



What is a Federal PLUS Loan?

The Federal Parent Loan for Undergraduate Students (PLUS) is a loan program guaranteed by the federal government. Parents of a dependent undergraduate student may borrow up to the cost of education less any financial aid. There is no maximum limit to the amount you can borrow and the loans are based upon a parent's credit-worthiness, not need. PLUS Loans typically go into repayment 60 days after full disbursement, but payments may be delayed under certain conditions.

The Benefits of a Federal PLUS Loan

- 8.50% Fixed interest rate effective July 1, 2006
- Accrued interest capitalizes once at final repayment
- Borrow up to the cost of education less other aid
- Credit check based upon federal Department of Education standards; no debt-to-income ratios or credit-scoring
- Federally insured against death and disability for both the parent and student
- Ability to combine PLUS Loans (even for multiple students) for repayment
- Deferred repayment option available while the student is enrolled at least half-time

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What is a Private Loan?

Private loans are often used for education financing by students attending eligible schools. Private loans are available to eligible creditworthy student(s) and/or co-signers. This loan is similar to other student loans in that there are usually no payments required while in school (although interest is still accumulating) or until six months after leaving school.

The Benefits of a Private Loan¹

- Variable interest rate
- Funds may be used for any education-related expense
- No application deadlines; apply anytime
- Deferment² options available while the student is enrolled at least half-time
- Flexible repayment options
- Interest may be tax deductible (consult your tax advisor)

¹ Subject to credit approval.

² Interest continues to accrue during periods of deferment.

Please note: PNC Bank reserves the right to modify, expand or discontinue the terms of these programs at any time without notice.

**For more information:
Call: 1-800-762-1001
Online: pnconcampus.com**

